

**08-08-2005 - DRAFT=ADDENDUM TO THE PROVIDER AGREEMENT  
TO ELECTRONICALLY FILE AND MAINTAIN  
GRAIN WAREHOUSE RECEIPTS AND U.S. WAREHOUSE ACT DOCUMENTS**

This Addendum between \_\_\_\_\_  
(Provider) and the Farm Service Agency (FSA) authorizes the Provider to establish and maintain a database and system, referred to as a central filing system (CFS) for the purpose of electronically filing grain warehouse receipts and United States Warehouse Act grain documents issued under the United States Warehouse Act (USWA) and permits the Provider to accept the filing of electronic warehouse receipts from other than USWA licensed warehouse operators in such electronic data filing system. Such electronically filed warehouse receipts for grain are hereafter referred to as "Electronic Warehouse Receipts (EWRs) and United States Warehouse Act Electronic Documents (USWAED)." All provisions and terms of the 'FSA Provider Agreement to Electronically File and Maintain Warehouse Receipts and United States Warehouse Act Documents (WA-460)' are incorporated except as modified or excluded herein.

This Addendum prevails to the extent it conflicts with the regulations found at 7 CFR Part 735, the Provider Agreement to Electronically File and Maintain Warehouse Receipts and United States Warehouse Act Documents (WA-460) and the adopted Addenda for Cotton, Peanuts, Rice, Coffee and Cocoa. As provided at § 735.2, the Deputy Administrator for Commodity Operations (DACO) has exercised that provision to modify certain requirements found at 7 CFR Part 735.303(a)(4), the Provider Agreement to Electronically File and Maintain Warehouse Receipts and United States Warehouse Act Documents (WA-460)

Grain is defined as all products commonly classed as grain such as wheat, corn, oats, barley, rye, flaxseed, sunflower seeds, soybeans, emmer, sorghum, safflower seed, triticale, millet, oilseeds, chickpeas, lentils and dry peas, and such other products as are ordinarily stored in grain warehouses, subject to the disapproval of DACO.

Notwithstanding any federal law or USDA data security restrictions, nothing contained herein should be interpreted or construed by a Provider so as to deny cooperation with a state licensing authority with respect to access to examination or investigation data stored in a CFS by a state licensed warehouse.

The Provider shall not warrant nor guarantee any part of the underlining transaction or activity that involves the use the Provider's CFS to perfect or consummate such a transaction or activity. The underlining transaction or activity shall be administered and governed by the applicable federal or state rule of law.

This Addendum sets forth the Provider's minimum requirements for operational management, EWR record formatting, reporting requirements and the protocols to be used in the transmission of such information.

## **I. Common Computing Environment and eAuthentication**

The Provider will, at a minimum, make available a common computing environment to the users of their CFS that offers nondiscriminatory access and ability to logon remotely to the Provider's CFS through an

eAuthentication method recognized by the DACO. Before accepting an EWR into their CFS as issued, the Provider will, at a minimum, authenticate the warehouse receipt signer as the person authorized by the warehouse operator to issue the EWR. Note: (Warehouse Operators will be required to submit to USDA or their applicable licensing authority a separate and individual e-signature card for each authorized EWR signer. It will be the responsibility of USDA or the applicable licensing authority, respectfully, to supply each applicable Provider with a complete and current listing of these individuals).

## **II. Special Provisions as Determined by DACO - CFS Development, Access, Interfaces, Operation, Maintenance, e-Signature Authentication, Document Integrity, Public Notifications, and Training**

The Provider will develop and operate their Providership and CFS in such a manner that: **(all)**

1. **offers**, at a minimum, a user interface that enables information to be entered directly from multiple web browsers;
2. **accommodates** interface mechanisms that allow files to be transferred/downloaded or data to be transmitted from a warehouse operator's existing accounting software systems commonly used by the grain industry to populate the information fields contained in EWRs and other USWAEDs offered by the provider;
3. **provides operational access** to their CFS 24 hours each day by their users and FSA, except during routine backup and maintenance periods;
4. **provides** a continuous period of access during the hours of 7:00 AM to 6:00 PM Central Time Zone;
5. **notifies** all clients/users at the same time DACO is alerted; in situations when the CFS is idled for "extraordinary maintenance";
6. **provides** affected clients/users and DACO notice setting forth the reasons and expected duration of periods in which the Provider cannot furnish access to their CFS;
7. **notifies** DACO and affected clients/users immediately if any data related to an EWR or USWAED has been lost due to a CFS malfunction;
8. **alerts** the warehouse operator and applicable licensing authority of any possible duplication of any EWR or USWAED issued under this and Addendum with respect to the same agricultural product or any portion of that agricultural product while outstanding;
9. **notifies** clients/users if the Provider's insurance policy is canceled at the same time USDA/FSA is notified, namely, 60 calendar days prior to cancellation;
10. **provides**, as authorized and permitted on a case-by-case basis by DACO, the comprehensive and continuous log and accompanying set of records that are, at a minimum, sufficient to allow for a reconstruction of the files, activities and events, including providing the warehouse operator or holder with access to generate physical documents upon request pertaining to each EWR or USWAED that is: **(all)**
  - i.* issued,
  - ii.* canceled,
  - iii.* converted to paper,
  - iv.* converted from paper,
  - v.* transferred, or
  - vi.* changed in anyway.
  - vii.* a "before" and "after" field,
  - viii.* the date of change,
  - ix.* the time of the change,
  - x.* the identity of the user making the change, and

- xi. details of attempts to make unauthorized changes or access to document data.
11. **assures** the continuous log and associated records maintained for such reconstruction are kept in secure storage for a period of 6 years after December 31 of the year the EWR is canceled or the date of performance for the USWAED;
  12. **furnishes** DACO with their current public tariff for public posting on DACO's web site that at a minimum states their charges for basic services involving receiving, filing, maintaining and transmitting EWR and USWAED data;
  13. **furnishes** DACO and all users a 60-calendar day advance notice of their intent to change any charges and rates. Charges and rates assessed must be in effect for a minimum period of one year after the effective date of the change;
  14. **ensures** that a signed user agreement is executed with each client/user that sets forth the terms and conditions regarding the use of their CFS. Warehouse operators and users of the Provider's CFS shall become an Ex-Facto party to this addendum upon their acceptance and execution of the Provider's User Agreement. The Provider's User Agreement will incorporate the specific duties and responsibilities, as set forth in the regulations found at 7 CFR Part 735, the "Provider Agreement to Electronically File and Maintain Warehouse Receipts and United States Warehouse Act Documents" and this Addendum;
  15. **ensures** that each warehouse operator that issues EWRs or other USWAEDs in their CFS has a current completed electronic profile for EWRs or USWAEDs that they issue on file with their applicable licensing authority. The electronic profile will consist of the same language and information contained in their paper warehouse receipts or USWA documents, terms and conditions of the EWR or USWA document, common repetitious information, under whose authority the EWR or USWA document is issued, warehouse operator's lien, business organization type, and other information specific to the warehouse;
  16. **ensures** the on-site security of their computer hardware, software and data designed to prevent the destruction of their facilities and stored data and the unauthorized access to and distribution of EWR or USWAED information;
  17. **utilizes** state-of-the-art computer system security standards to protect their computer/CFS systems and backup systems used to store and disseminate EWRs and other USWAEDs;
  18. **secures** data and all transmissions of data by using hardware and software approved by DACO;
  19. **notifies** all CFS users 60 calendar days prior to their planned termination of this Provider Addendum;
  20. **requires** that, when transferring a warehouse operator's data to another Provider, a complete list of all holders of any active EWRs, USWAEDs or other electronic records maintained in their CFS be transferred to the new Provider and warehouse operator;
  21. **requires** that, when receiving a transfer of a warehouse operator's data from another Provider, open access be made to all holders and authorized users not later than 7:00 a.m. Central Time the day after the transfer date;
  22. **prevents and precludes** the warehouse operator from making changes or modifications to any data field of a EWR or USWAED originally completed or intentionally left blank by the issuing warehouse operator. However, the current holder may request a new EWR or USWAED at anytime by making the issuing warehouse operator the holder of the EWR or USWAED before issuing the new EWR or USWAED;
  23. **makes** available a common template for EWRs and USWAEDs that contain information fields appropriate to the particular commodity;
  24. **maintains** the anonymity of each subsequent holder's identity, however each subsequent holder will be able to view the identify of the previous holder only;
  25. **establishes** the chain of custody of the EWR and USWAED from the warehouse operator's initial issuance to the initial holder, from the initial holder to a possible subsequent holder, from

each subsequent holder to the next subsequent holder, from the last subsequent holder (or, initial holder if the EWR was not negotiated) to the warehouse operator for load-out or settlement, and the warehouse operator being the final and the last holder and cancels the EWR in the Provider's CFS; and

26. **allows** the issuing warehouse operator to update only data in trailer files, storage charges and payment fields without being made the current holder

### III. Optional Issuance of Warehouse Receipts

Grain warehouse operators operating under the provisions of this Addendum and the Provider's User Agreement shall have the option to issue warehouse receipts initially as a paper warehouse receipt document or as a EWR. Warehouse operators will be held severely liable for failing to follow the provisions set forth in Sections IV. D and E of this Addendum. Warehouse operators shall not commit fraud by having both a paper warehouse receipt and a EWR representing the same grain outstanding or uncanceled at the same time.

### IV. Receipt Record Data Requirements

FSA, in administration of the USWA, the regulations found at 7 CFR Part 735, the Provider Agreement to Electronically File and Maintain Warehouse Receipts and United States Warehouse Act Documents and this Addendum, may at any time require the Provider to furnish information beyond the minimum requirements shown in this Addendum.

#### A. Required Information

The Provider shall, at a minimum, make available the following information fields on all EWRs that will be available to be filled in by USWA and non-USWA warehouse operators issuing EWRs in their CFS, if required for marketing assistance loans by USDA or as agreed to by the issuer of the EWR and the initial recipient. The Provider shall advise warehouse operators that it is the warehouse operator's responsibility to supply the necessary data to complete each element, as applicable, when generating a EWR.

License number, if applicable\*

Receipt number (As assigned by DACO or the applicable licensing authority)

License type, (The legal entity under whose authority the warehouse receipt is issued), US if Federally licensed, the two letter Postal abbreviation if State licensed, or NL if not licensed will without exception be displayed in front of the receipt number and shown as an integral part of the receipt number

Issuance date (date that the EWR is first recorded in the Provider's system)

Suspension date, (if applicable) (date that the warehouse operator, at the depositor's request for a paper warehouse receipt, provisionally suspends that EWR, issues a interim paper warehouse receipt and enters its registration number in the Provider's system)

Conversion date, (if applicable) (date that a warehouse operator has possession of and cancels the interim paper warehouse receipt and reinstates that suspended EWR in the Provider's system)

Cancellation date (date that the EWR is terminally recorded in the Provider's system)

Receipt status, (Active/Suspended/Canceled)

Receipt use indicator, if applicable (Customary, CCC loanable or Board of Trade Registrar)

Indicate whether the receipt is "Not Negotiable" or "Negotiable" according to the nature of the receipt

Name of warehouse operator issuing the EWR (Legal Entity)

Name of warehouse  
Location of warehouse where the commodity was deposited (City), (County) and (State)  
Received from (Depositor)  
Current Holder  
Previous Holder  
Bin or container number (if Identity Preserved)  
Warehouse Code (Commodity Credit Corporation's (CCC) Uniform Grain and Rice Storage Agreement)  
Storage (Commingled or Identity Preserved)  
Interim paper warehouse receipt number (referenced when applicable)  
Paper warehouse receipt number, (if applicable)  
Received by Truck, Rail or Barge, (if applicable)  
Storage start date  
Rate of storage charges  
Amount of prepaid storage charges, (if applicable)  
Amount of prepaid in and out elevation charges, (if applicable)  
Date to which storage has been prepaid through, (if applicable)  
Kind of Commodity  
Variety of Grain (When applicable, name of specific variety or specialty such as Organic)  
Grade, Class, Subclass or Special Grade (U.S. Number)  
Vomitoxin Parts per Million, if applicable  
Alflatoxin Parts per Billion, if applicable  
Dockage percentage  
Gross pounds of commodity including dockage  
Net pounds of commodity (less dockage)  
Gross amount of the commodity (including dockage) (Bushels, CWT, etc.)  
Net amount of the commodity (less dockage) (Bushels, CWT, etc.)  
Grade statement  
**Indicate:** "Not graded on request of the depositor"  
Grade Inspection certificate number (if applicable)  
Authorized warehouse receipt signature (name of person on file with applicable licensing authority authorized to issue this EWR)  
Remarks section (When applicable a text box for warehouse operator's remarks)  
Terms and conditions (Refer to Section VII for USWA license warehouse operators and Section VIII for state licensed warehouse operators and Section IX for non-licensed warehouse operators for terms and conditions that apply to each EWR that must be furnished by the warehouse operator issuing the EWRs).

\*Enter Federal or State warehouse license number, if not licensed, zero fill field

#### B. Additional Information

The Provider shall, at a minimum, make the element listed below available to every USWA, non-USWA, and State licensed warehouse operator issuing EWRs in their CFS. The Provider shall advise warehouse operators that it is the warehouse operator's responsibility to supply the necessary data to complete this element. This Addendum does not restrict the number of additional fields that may be made available to state licensing authorities or warehouse operators.

Commodity Credit Corporation (CCC) Agreement (Y or N)

Quality factors applicable to the specific commodity necessary for a producer to obtain a CCC marketing assistance loan

C. Required elements that can be modified without the warehouse operator being the holder

FSA will allow the warehouse operator to modify the elements, “date to which storage has been paid”, “storage start date”, or “prepaid in or out charges” without being the holder of the EWR. The Provider shall notify the current holder of the EWR of any changes.

D. Suspending an EWR to issue an Interim Paper Warehouse Receipt

When suspending a EWR to issue an interim paper warehouse receipt, the Provider shall advise the warehouse operator to first suspend the EWR, enter the interim paper warehouse receipt number into the applicable EWR data field, and print on the face of the interim paper warehouse receipt the suspended EWR number.

E. Converting a Paper Warehouse Receipt to a EWR

When converting an outstanding paper warehouse receipt to a EWR, the Provider shall advise the warehouse operator to first take possession of and cancel the paper warehouse receipt, print the replacing EWR number on the face of the paper warehouse receipt, and enter the canceled paper warehouse receipt number into the applicable EWR data field.

F. Assignment of EWR Numbers

The Provider shall ensure that warehouse operators issue EWRs consecutively within the number range(s) assigned by DACO or the applicable licensing authority. FSA will assign EWR ranges for non-licensed warehouse operators.

G. Trailer Files and Non-Required EWR Data or Information

The Provider shall make available to the users of their CFS, as an outside attachment to an EWR’s secured data files, a trailer file that may contain non-required EWR data or information for associated business processes.

## **V. Security of Data**

- A. The provider shall use only data encryption and security methods that are commonly used in the industry and which are recognized and approved by USDA.
- B. The Provider shall adhere to all aspects of federal and state public disclosure and privacy laws and regulations.

## **VI Transmission of Data**

The Provider shall make available free of charge to FSA and state licensing authorities a common computer utility program that downloads USDA approved warehouse examination data from their CFS.

## **VII. Terms and Conditions for USWA Licensed Warehouse Operators**

The following information must be recorded on all EWRs or within the warehouse operator's EWR profile. FSA will be responsible for maintaining and updating this information.

The statements:

The Warehouse Operator's business organization type (i.e. sole proprietor, incorporated, partnership, LLC, etc.) and the name of the State whose laws govern that organization (i.e. "a Texas corporation").

Insured, to what extent, by the warehouse operator against loss by fire, lightning and other risks.

The maximum amount of bond or financial assurance underwriting the warehouse receipt.

Weight was determined by a weigher licensed under the USWA.

Grade was determined by a "Federal Grain Inspection Service grader", a "Grader Licensed under the USWA", or "Not Graded on Request of Depositor."

The grade, class, subclass or other special grade stated in this receipt is in accordance with the Official Grain Grading Standards of the United States. If the grade of grain is that for which no official grain standards of the United States are in effect, the grade or other class shall be stated in accordance with the standards, if any, adopted by the local board of trade, chamber of commerce, or by the grain trade generally in the locality in which the warehouse is located, subject to the authorization of the FSA, or in the absence of these standards, in accordance with any standards authorized for the purpose by the FSA.

The grade stated in a warehouse receipt is the weighted average of the grades on the applicable inspection certificate(s) or, if an appeal has been taken, the grade will be stated on such receipt in accordance with the grade as finally determined in such appeal.

The applicable charges claimed by the warehouse operator for storage and other services. Handling and other accrued charges are according to the warehouse operator's effective public tariff. The warehouse operator will furnish depositors and warehouse receipt holders the full amount of charges upon request.

In the event the relationship existing between the warehouse operator and any depositor is not that of strictly disinterested custodianship, a statement setting forth the actual relationship.

### **VIII. Terms and Conditions for State Warehouse Operators**

The following information must be recorded on all EWRs or within the warehouse operator's EWR profile. Each warehouse operator shall have a posted EWR profile. To the extent required under applicable State law, each State licensing authority will be responsible for maintaining and updating the EWR profile information on their licensed warehouse operators with respect to warehouse receipts and public disclosures.

The statements:

The Warehouse Operator's business organization type (i.e. sole proprietor, incorporated, partnership, LLC, etc.) and the name of the State whose laws govern that organization (i.e. "a Texas corporation").

Insured, to what extent, by the warehouse operator against loss by fire, lightning and other risks.

The authority, that the warehouse operator issues warehouse receipts under, State warehouse code for State licensed warehouses or Uniform Commercial Code.

The maximum amount of bond or financial assurance underwriting the warehouse receipt.

Weight was determined by a State of \_\_\_\_\_ Licensed Weigher,” or “Unofficial Weight by Warehouse Operator” or “Not Weighed on Request of Depositor”.

Grade was determined by a “Grader licensed under the State of \_\_\_\_\_”, or “Federal Grain Inspection Service Grader”, or “Unofficially Graded by Warehouse Operator” or “Not Graded on Request of Depositor.”

The grade, class, subclass or other special grade stated in this receipt is in accordance with the Official Grain Grading Standards of the United States. If the grade of grain is that for which no official grain standards of the United States are in effect, the grade or other class shall be stated in accordance with the standards, if any, adopted by the local board of trade, chamber of commerce, or by the grain trade generally in the locality in which the warehouse is located, subject to the authorization of the FSA, or in the absence of these standards, in accordance with any standards authorized for the purpose by the FSA.

The applicable charges claimed by the warehouse operator for storage and other services. Handling and other accrued charges are according to the warehouse operator’s effective public tariff. The warehouse operator will furnish depositors and warehouse receipt holders the full amount of charges upon request.

In the event the relationship existing between the warehouse operator and any depositor is not that of strictly disinterested custodianship, a statement setting forth the actual relationship.

## **IX. Terms and Conditions for Non-Licensed Warehouse Operators**

The following information must be recorded on all EWRs or within the warehouse operator’s EWR profile. FSA will be responsible for maintaining and updating this information regarding their EWR profile.)

Each warehouse operator shall have a posted EWR profile. (Each applicable Non-Licensed warehouse operator will be responsible for providing FSA with timely and current information regarding the statements below.

The statements:

The Warehouse Operator’s business organization type (i.e. sole proprietor, incorporated, partnership, LLC, etc.) and the name of the State whose laws govern that organization (i.e. “a Texas corporation”).

Insured, to what extent, by the warehouse operator against loss by fire, lightning and other risks. (Each applicable Non-Licensed warehouse operator will be responsible for providing FSA with timely and current insurance information. FSA will be responsible for maintaining and updating this information.)

The authority that the warehouse operator issues warehouse receipts under, State statute or Uniform Commercial Code.

The maximum amount of bond or financial assurance underwriting the warehouse receipt. (Each



applicable Non-Licensed warehouse operator will be responsible for providing FSA with timely and current bond or financial assurance information. FSA will be responsible for maintaining and updating this information.)

Weight was determined by a State of \_\_\_\_\_ Licensed Weigher,” or “Unofficial Weight by Warehouse Operator” or “Not Weighed on Request of Depositor”.

Grade was determined by a “Grader licensed under the State of \_\_\_\_\_ “, or “Federal Grain Inspection Service Grader”, or “Unofficially Graded by Warehouse Operator” or “Not Graded on Request of Depositor.”

The grade, class, subclass or other special grade stated in this receipt is in accordance with the Official Grain Grading Standards of the United States. If the grade of grain is that for which no official grain standards of the United States are in effect, the grade or other class shall be stated in accordance with the standards, if any, adopted by the local board of trade, chamber of commerce, or by the grain trade generally in the locality in which the warehouse is located, subject to the authorization of the FSA, or in the absence of these standards, in accordance with any standards authorized for the purpose by the FSA.

The applicable charges claimed by the warehouse operator for storage and other services. Handling and other accrued charges are according to the warehouse operator’s effective public tariff. The warehouse operator will furnish depositors and warehouse receipt holders the full amount of charges upon request.

In the event the relationship existing between the warehouse operator and any depositor is not that of strictly disinterested custodianship, a statement setting forth the actual relationship.

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Provider

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Signature

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Title

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Date

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Director, Kansas City Commodity Office, FSA

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Date

07-31-05)

14th and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is the regulations at 7 CFR 735. The information will be used to complete the terms of a license and contract between the warehouse operator and the Deputy Administrator Commodity Operations. Furnishing the requested information is voluntary, however, without it, eligibility to become a provider under the United States Warehouse Act and the decision as to the applicant's eligibility for a provider agreement must be made in part on the basis of the information provided. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including: 18 U.S.C. 286, 287, 371, 641, 651, 1001; 1014, and 31 U.S.C. 3729, may be applicable to the information provided.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays an OMB control number. The valid OMB control number of this information collection is 0560-0120. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. ***RETURN THIS COMPLETED FORM TO THE KANSAS CITY COMMODITY OFFICE, POST OFFICE BOX 419205, KANSAS CITY, MO 64141-6205.***